



**azpromo**

Azerbaijan Export and Investment  
Promotion Foundation

# CATALOGUE OF INVESTMENT PROJECTS



## INTRODUCTION

Azerbaijan Investment and Export Promotion Foundation (“AZPROMO”) is a key partner for international investors in discovering business opportunities in Azerbaijan. Established by the Ministry of Economic Development of the Republic of Azerbaijan as a joint public private initiative in 2003, AZPROMO’s main objective is to increase non-hydrocarbon FDI inflow in Azerbaijan, as well as to stimulate strengthening and expansion of the country’s non-hydrocarbon export capacities.

AZPROMO serves as a “one-stop-shop” for international investors and has in-depth knowledge of investment opportunities and market features of the country. We advise foreign investors on legal issues related to doing business in Azerbaijan, guide them in their negotiations with all relevant Government agencies and local entrepreneurs, help with logistics, organise trade missions, fairs, business forums and other events in as well as outside the country. Five core pillars of our investment promotion activities include image building, investment generation, investment facilitation, investor servicing and aftercare, policy advocacy.

Today Azerbaijan is one of the most attractive destinations for FDIs in the region. Since mid 90<sup>th</sup> we have doubled our economic potential, enabled and sustained macroeconomic stability and undertook a wide range of economic and regulatory reforms ensuring sustainable business and investment environment. Consequently, the World Bank Doing Business Report 2009 named Azerbaijan the world’s leading reformer of business regulations and recorded the biggest jump ever in the world ranking of ease of doing business (from 97<sup>th</sup> position to 33<sup>rd</sup>). Azerbaijan has made a significant step forward in human development and was recognised as high human development country by the UNDP Human Development Report 2010. Our economy is the 57<sup>th</sup> competitive economy in the world according to the Global Competitiveness Report 2010-2011 by World Economic Forum taking lead in CIS.

Azerbaijan is a country of wide investment opportunities and one of the most attractive destinations for foreign direct investments (FDI) in the region. Within last 15 years 95 bln USD were invested in our economy, of which more than a half by foreign investors. We believe there are a few major positive factors behind our success in attracting FDI. Years of political stability and economic development together with the traditional Azerbaijani hospitality, as well as presence of abundant resources and favorable location on the crossroads of Eurasia with the best infrastructure in the region play important role for the decision of foreign business.

Today, we are pleased to share information on potential investment projects proposed by different entities from private and public sectors, as well as priority areas for FDIs in Azerbaijan. AZPROMO invites business from other countries to visit Azerbaijan, seize the investment opportunities and witness its growth together with us.

<b>Project name</b>	<i>Arrangement of an industrial line of solar collectors</i>
<b>Location</b>	<i>Baku, Azerbaijan</i>
<b>Project scope &amp; objectives</b>	<p><u>Project Scope:</u> Workshop with the possibility of further expansion of capacity, production facilities, storage, small office. Depending on the provider and type of production line - production workers, employees (for future - the availability of additional control equipment, etc.).</p> <p><u>Main objectives:</u> Providing reliable and easy to install and maintain solar systems become the premier manufacturer of solar systems in Azerbaijan To quickly gain market penetration within the first three years To develop a customer-centric organization based on cutting edge technology.</p>
<b>Project description</b>	<i>First - delivery of solar modules and panels parts in Azerbaijan abroad, then full assembly of parts into ready product and finally - sales and installation at sites.</i>
<b>Project cost</b>	<i>2-2,5 mln USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<p><i>Depends on agreement:</i> 51% / 49% 80% / 20% other variants can be discussed</p>
<b>Implementation period</b>	<i>6-12 months</i>
<b>Project payback period</b>	<i>3 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Being prepared</i>
<b>Company initiator:</b>	<i>"2M Engineering" Company</i>
<b>For additional information please contact:</b>	
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<b>Project name</b>	<b><i>Sumgait Landfill Gas Recovery and Utilization</i></b>
<b>Location</b>	<i>Sumgait, Azerbaijan</i>
<b>Project scope &amp; objectives</b>	<i>This project is aimed at the reduction of the emission of greenhouse gases from the solid waste at Sumgait Landfill.</i>
<b>Project description</b>	<i>By the process of combustions the fraction CH<sub>4</sub> of the GOW will be converted in CO<sub>2</sub>. The same effect will be by utilization the gas for power production in nearby industrial firms and moreover a specific quantity of fossil fuel will be substituted and emission of greenhouse gas will be reduced.</i>
<b>Project cost</b>	<i>10 mln. USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>80 % Foreign 20 % Azerbaijan Share distribution can change upon negotiations</i>
<b>Implementation period</b>	<i>2 years</i>
<b>Project payback period</b>	<i>5-15 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Business plan</i>
<b>Company initiator:</b>	<i>"ADES" Azerbaijan-Germany JV</i>
<b>For additional information please contact:</b>	
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2011

INVESTMENT PROJECT SUMMARY

<b>Project name</b>	<b><i>Recycling of Solid-Waste</i></b>
<b>Location</b>	<i>Sumgait, Azerbaijan</i>
<b>Project scope &amp; objectives</b>	<i>Reduction of harmful solid-waste's volume and production of new energy source</i>
<b>Project description</b>	<i>Recycling of solid-waste in first destination, and also fully recycling in Non-hazardous waste Polygon. It realized by following steps: Little treatment workshop for cartons, glass, plastics, iron or metals</i>
<b>Project cost</b>	<i>10 mln. USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>80 % Foreign 20 % Azerbaijan Share distribution can change upon negotiations</i>
<b>Implementation period</b>	<i>1 year</i>
<b>Project payback period</b>	<i>3-5 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Business plan</i>
<b>Company initiator:</b>	<i>"ADES" Azerbaijan-Germany JV</i>
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RENEWABLE ENERGY

<b>Project name</b>	<b><i>Manufacture of heating boilers</i></b>
<b>Location</b>	<i>Baku, Azerbaijan</i>
<b>Project scope &amp; objectives</b>	<p><u>Project Scope:</u>  <i>Finance</i>  <i>Technology (facilities, workshops etc.)</i></p> <p><u>Main objectives:</u>  <i>To become the premier manufacturer of heating systems in Azerbaijan</i>  <i>To quickly gain market penetration within the first three years by using upgrading methods of boilers production.</i></p>
<b>Project description</b>	<i>First - delivery of parts of boilers in Azerbaijan abroad, then full assembly of parts into ready product and finally - organization of sale in Azerbaijan and CIS countries, such as Russia, Georgia, Kazakhstan, Turkmenistan, etc.</i>
<b>Project cost</b>	<i>2-3 mln. USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<p><i>Depends on agreement:</i>  <i>51% / 49%</i>  <i>80% / 20%.</i>  <i>Other options can be discussed</i></p>
<b>Implementation period</b>	<i>1 year</i>
<b>Project payback period</b>	<i>3 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Being prepared</i>
<b>Company initiator:</b>	<i>"2M Engineering" Company</i>
<b>For additional information please contact:</b>	
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<b>Project name</b>	<b><i>Reconstruction of Sumgait glass works of "Khazar" JSC</i></b>
<b>Location</b>	<i>Sumgait, Azerbaijan</i>
<b>Project scope &amp; objectives</b>	<i>Installation of modern glass (float) producing technology instead of depreciated (furko technology) equipment. Products will be export-oriented and replace import. 600 new workplaces will be opened.</i>
<b>Project description</b>	<i>LDF line with production capacity of 20 mln. sq. m. will be adjusted, high quality product will satisfy domestic market and will be exported to the neighboring countries. Development of foreign economic relations and expanding of strategically important field of industry are main goals.</i>
<b>Project cost</b>	<i>92 mln. EURO</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>1. Joint venture 2. Leasing 3. Credit against plant's guarantee</i>
<b>Implementation period</b>	<i>30 months</i>
<b>Project payback period</b>	<i>10 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Business plan</i>
<b>Company initiator:</b>	<i>"Khazar" JSC</i>
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<b>Project name</b>	<i>Reconstruction of equipments park of "Baku Steel Wire" OJSC</i>
<b>Location</b>	<i>Baku city</i>
<b>Project scope &amp; objectives</b>	<i>Production of 20 thousand tons of different types of wires yearly.</i>
<b>Project description</b>	<i>Rebuilding of existing plant, construction and repair works, installation and exploitation of modern technologies, raw material supplies and etc. are considered in the project.</i>
<b>Project cost</b>	<i>5 million USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>Will be determined upon mutual negotiations</i>
<b>Implementation period</b>	<i>1-1.5 year</i>
<b>Project payback period</b>	<i>3-4 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Business plan</i>
<b>Company initiator:</b>	<i>"Baku Steel Wire" OJSC</i>
<b>For additional information please contact:</b>	
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<b>Project name</b>	<b><i>Reconstruction of pipe manufacturing</i></b>
<b>Location</b>	<i>Sumgait city</i>
<b>Project scope &amp; objectives</b>	<i>Production of pipes domestically that are only imported.</i>
<b>Project description</b>	<i>Rebuilding of existing plant, construction and repair works, installation and exploitation of modern technologies, raw material supplies and etc. are considered in the project.</i>
<b>Project cost</b>	<i>42.125 million USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>Will be determined upon mutual negotiations</i>
<b>Implementation period</b>	<i>2 years</i>
<b>Project payback period</b>	<i>5-7 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Business plan</i>
<b>Company initiator:</b>	<i>"Azerboru" OJSC</i>
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<b>Project name</b>	<b><i>Reconstruction of electric welding equipments manufacturing</i></b>
<b>Location</b>	<i>Salyan city</i>
<b>Project scope &amp; objectives</b>	<i>Production of equipments domestically that are only imported.</i>
<b>Project description</b>	<i>Rebuilding of existing plant, construction and repair works, installation and exploitation of modern technologies and etc. are considered in the project.</i>
<b>Project cost</b>	<i>3.125 million USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>Will be determined upon mutual negotiations</i>
<b>Implementation period</b>	<i>1 year</i>
<b>Project payback period</b>	<i>3 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Business plan</i>
<b>Company initiator:</b>	<i>"Salyan electric welding equipments" OJSC</i>
<b>For additional information please contact:</b>	
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<b>Project name</b>	<b><i>Production of energy efficient LED lamps</i></b>
<b>Location</b>	<i>Ganja city</i>
<b>Project scope &amp; objectives</b>	<i>Energy efficient LED lamps manufacturing with the employment of nanotechnologies.</i>
<b>Project description</b>	<i>Rebuilding of existing plant, construction and repair works, installation and exploitation of modern technologies and etc. are considered in the project.</i>
<b>Project cost</b>	<i>6.875 million USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>Will be determined upon mutual negotiations</i>
<b>Implementation period</b>	<i>1 year</i>
<b>Project payback period</b>	<i>5 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Business plan</i>
<b>Company initiator:</b>	<i>"Bullur electronic" OJSC</i>
<b>For additional information please contact:</b>	
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<b>Project name</b>	<b><i>Organization of modern wheel-type drilling bits manufacturing</i></b>
<b>Location</b>	<i>Baku city</i>
<b>Project scope &amp; objectives</b>	<i>Production of wheel-type drilling bits for oil industry that are only imported at present.</i>
<b>Project description</b>	<i>Rebuilding of existing plant, construction and repair works, installation and exploitation of modern technologies, raw material supplies, human resources development and etc. are considered in the project.</i>
<b>Project cost</b>	<i>3 million USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>Will be determined upon mutual negotiations</i>
<b>Implementation period</b>	<i>1 year</i>
<b>Project payback period</b>	<i>2 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Business plan</i>
<b>Company initiator:</b>	
<b>For additional information please contact:</b>	
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<b>Project name</b>	<b><i>Reconstruction of lime production plant</i></b>
<b>Location</b>	<i>Gazakh region, Azerbaijan</i>
<b>Project scope &amp; objectives</b>	<i>Production of lime for the different purposes</i>
<b>Project description</b>	<i>Production of lime with the high activity by using latest technology in the Caucasus and using of lime in oil, chemical, food and agricultural sectors</i>
<b>Project cost</b>	<i>12.8 mln. EURO</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>30% company 70% investor</i>
<b>Implementation period</b>	<i>2 years</i>
<b>Project payback period</b>	<i>4 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Being prepared</i>
<b>Company initiator:</b>	<i>"Matanat A" Company</i>
<b>For additional information please contact:</b>	
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<b>Project name</b>	<i>Modernization of glass plant</i>
<b>Location</b>	<i>Absheron district, Khirdalan city</i>
<b>Project scope &amp; objectives</b>	<i>Purchasing of new glass producing equipments and decreasing of cost of production</i>
<b>Project description</b>	<i>Installation of saving oven and production of lightweight glass boxes</i>
<b>Project cost</b>	<i>4.3 million USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>60% "Caspian Glasses Ltd." 40% Investor</i>
<b>Implementation period</b>	<i>1 year</i>
<b>Project payback period</b>	<i>5 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Business plan and other related documents</i>
<b>Company initiator:</b>	<i>Caspian Glasses Ltd.</i>
<b>For additional information please contact:</b>	
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<b>Project name</b>	<b><i>Production of energy efficient luminescent lamps</i></b>
<b>Location</b>	<i>Sumgait city</i>
<b>Project scope &amp; objectives</b>	<i>Production of 3 million different types of lamps yearly.</i>
<b>Project description</b>	<i>Construction and repair works, installation and exploitation of modern technologies, raw material supplies, human resource development and etc. are considered in the project.</i>
<b>Project cost</b>	<i>5 million USD</i>
<b>Proposed financing scheme &amp; share distribution</b>	<i>Will be determined upon mutual negotiations</i>
<b>Implementation period</b>	<i>1 year</i>
<b>Project payback period</b>	<i>3 years</i>
<b>Documents available (business plan, etc.):</b>	<i>Business plan</i>
<b>Company initiator:</b>	<i>"Atlantis Group" Ltd.</i>
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<b>Agriculture</b>	<b>Food processing</b>	<b>Industry</b>	<b>Construction</b>	<b>Tourism</b>	<b>Services</b>
Production and processing of medicinal herbs	Production of tomato paste	Production of furniture	Production of building finishes	3 star hotels	Track transportation services for agricultural products
Greenhouse production	Production of fruit juices	Waste processing facilities	Production of artificial marble	SPA hotel	Refrigerated transport
Creation of modern feed mills	Packaging and labeling	Production of protective clothing	Production of construction materials		
Construction of refrigerated storage facilities	Production of meat and meat products	Production of aluminum shape	Production of ceramic coating tiles		Restaurant network
Production of fertilizers	Poultry production	Production of polyvinylchloride pipes and components	Production of lime	Production of national souvenirs, gifts, copper plates, etc.	
Seed farming	Production of dairy products	Production of polypropylene sacks	Construction of brick factory		Establishment of Agro service centers
Apiculture	Production of sunflower oil	Production of plastic bags and nylon sacks	Construction of electric power stations by using wind, solar, geothermal energy	Development of medicinal, religious, mountainous, winter and sledge, historical, cultural and eco- tourism	Establishment of business, trade and entertainment centers
Aquaculture	Honey processing and packaging	Production of polyurethane sponge	Production of construction glass		
Production of saffron	Production of mineral and natural water and packaging	Production of spring beds	Production of aluminum	(Re-) construction of tourism complexes	Catering
Establishment of silkworm breeding farm	Production of water packaging	Production of fiber boards	Construction of logistical warehouses		
Establishment of mills	Potato processing (production of potato chips, potato flour etc)	Production of cologne	Production of cement and concrete blocks	Development of touristic sites	Establishment of service educational centers in regions
Floriculture and ornamental plant production	Confectionery production	Carpet weaving	Construction of machinery plants		

<b>Agriculture</b>	<b>Food processing</b>	<b>Industry</b>
Production of fresh fruits and vegetables (apples, cherries, persimmons, pomegranate, kiwi, hazelnuts, feijoa, tomatoes, tables grapes, cucumbers, greens, early potatoes, rice, tea leaves, citrus fruits, onions etc.)	Bakery and floury products	Shoes production
	Establishment of bread-baking plant	Leather working facility
Establishment of stock-farm for milk production and processing purposes	Production of frozen fruits and vegetables	Establishment of woodworking enterprise
	Nuts processing facility	Production of underwear
Horticulture	Production of child food	Production of spare parts for agricultural equipment
	Production of olives and olive products	Production of oil-field equipment
Building of warehouses for fruit and vegetable storage	Establishment of grape processing manufacture	Production of electric equipment
	Wine production	Establishment of weaving mill
Pedigree cattle farms	Canned fruits and vegetables production	Establishment of clothing (including uniform) manufacture
	Production of dried fruit and berries	Establishment of wool processing manufacture
Production of nursing	Production of mayonnaise, ketchup and other sauces	Production of leather
	Production of chocolate oil prepared from the hazel	Production of polymer materials
Establishment of broiler enterprises	Production of salt	Production of precious metals
		Production of communal services equipments
Development of veterinary services		Production of medical equipments
		Production of nursery nappies
		Production of throwaway tares
		Production of solar panels